

*Chem Sub. file*

Approved For Release 1999/09/08 : CIA-RDP82-00283R000200180015-1

TO : Staff Economist, Economic Intelligence Committee 5 August 1955

FROM : Chief, Chemicals Branch, D/M/RR, Senior Member of  
the CIA Members on the EIC Subcommittee

SUBJECT: Survey of EIC Subcommittee Activities -  
Subcommittee on Chemicals

1. Although the Subcommittee on Chemicals has had only one formal meeting during this year, I feel that the Subcommittee should be kept alive as a means for quick contacts with the representatives of other IAC Agencies and with the affiliate members of the Subcommittee who represent non-IAC Agencies. The clearances of these representatives have been kept alive. Often the Chemicals Branch needs advice and guidance, and the mechanism of the Subcommittee allows us to talk with these cleared representatives. They can help us in getting "answers" from their Agency components.

2. As you know, the main responsibility for intelligence in chemicals matters in the Sino-Soviet Bloc is in the hands of the Chemicals Branch, RR, and our studies are in depth. The prime interest of the Air Force is in locating targets and evaluating their priority based upon the production of the plants and the importance of the product for sustaining a war effort. They cover the basic chemicals and are watching some of the less important chemicals. During the last year, the activities of Army in chemicals have been negligible and their entire emphasis has been on end products of military value. They depend upon us for data on availability of materials. Navy has done little, if anything, during the last year as their chemicals "man" went back to industry. State Department still continues to make a few studies, largely on trade, and painted with a broad brush, and have shown little interest.

3. I feel that intelligence in chemicals in the Sino-Soviet Bloc is of major importance to this Agency as no economy can operate without chemicals. I feel that the broad economic and detailed data Chemicals Branch, RR, has developed is of real value to the Intelligence Community, although, on the whole, the community is not interested in the individual products. Again, I feel that the chemicals intelligence "built up" is of real value to the defense of the US, as it gives us an excellent measurement of the capabilities of the Sino-Soviet group to sustain a war effort.

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4. The Subcommittee should be continued largely as a means of close liaison with our opposites in the other Agencies. With the diversity of basic interest, I feel that a limited number of formal meetings should be held.

5. All Committees have faults and the major fault of this group is that Chemicals Branch, RR, is the only member "wildly" enthusiastic about the importance of the chemical industry for carrying on a civilian or military economy. The activities of the Subcommittee could be greatly improved if more interest could be developed in the IAC Agencies on the importance of the chemical industry to an economy and the absolute dependence of the Military Services upon the chemical industry if they wish to produce their required military end products.

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Chairman, Subcommittee on Chemicals

WNC:kjh  
RR/D/M-CH  
5 August 1955

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